

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

In re:

Union Hospital District,

Debtor.

Case No.
Chapter 9

DECLARATION OF PAUL R. NEWHOUSE

I, the undersigned Paul R. Newhouse, being duly sworn, depose and state on oath as follows:

1. I am the Chief Executive Officer ("CEO") of Union Hospital District ("Debtor"). In my capacity as CEO, I am personally familiar with the operations of the Debtor and its financial condition.

2. Within the corporate umbrella of the Debtor are four distinct areas of services and operations:

- (i) Wallace Thomson Hospital ("Hospital");
- (ii) Ellen Sagar Nursing Homes ("Ellen Sagar");
- (iii) Carolinas Health Associates ("Carolinas Health"); and
- (iv) Union County EMS ("EMS").

3. The Hospital is the general community hospital for Union County, South Carolina and represents the initial entry point for area residents to various levels of the health care system. The Hospital is a public 143-bed acute-care facility. The Hospital offers the normal range of services for a rural community hospital, including medical, surgical, emergency, and OB services. The Hospital is serviced by a staff of 7 primary care physicians, 2 general surgeons, 2 pediatricians, 3 OBGYN practitioners, 1 pathologist, 1 radiologist, 1 anesthesiologist, and 3 hospitalists. Carolinas Health is the network of physicians that are employed by the Debtor EMS

is the Union County Emergency Services operations, which is managed by the Debtor pursuant to a management contract with Union County.

4. For financial reporting purposes, the Debtor maintains separate records of income and expenses for each of its four service areas, but also consolidates the financial results into a consolidated financial statement. Attached hereto as Exhibit 1 are the key financial reports for the period ending March 31, 2014, including some comparison information to the preceding fiscal year. For the fiscal period October 1, 2013 to March 31, 2014, the Debtor showed a negative Net Assets of \$557,263 and negative Operating Revenues of \$3,576,965, on a consolidated basis.

3. Following are the primary officers of the Hospital:

(a) Board of Directors

(i)	Rhonda Ingle-Chairman	Voting
(ii)	Jeff Cannon	Voting
(iii)	Shirley Gist	Voting
(iv)	Brent Greet – Vice Chairman	Voting
(v)	Bobbie Jean Lawson – Secretary-Treasurer	Voting
(vi)	Lynn Lawson	Voting
(vii)	Karen Newton	Voting
(viii)	M. John Flood, MD	Non-Voting
(ix)	Natashia Jeter, MD	Non-Voting
(x)	Daniel Crow, MC	Non-Voting

(b) Operating Officers

Paul Newhouse – Chief Executive Officer

Cindy Gault – Chief Financial Officer

and ordinary course of business unsecured trade debt. For reporting purposes, the Debtor maintains separate records of income and expenses for each of its service areas, but also consolidates the financial results into a consolidated financial statement. Attached hereto as Exhibit 1 are the key financial reports for the period ending March 31, 2014, including some comparison information to the preceding fiscal year. For the fiscal period October 1, 2013 to March 31, 2014, the Debtor showed a negative Net Assets of \$557,263 and negative Operating Revenues of \$3,576,965, on a consolidated basis.

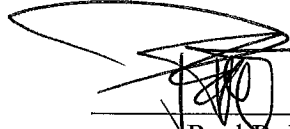
6. The Debtor has struggled to pay its debts in the ordinary course of business and therefore has accrued significant trade debt that it is currently not able to pay. Moreover, the Debtor is currently the defendant in various civil actions related to the collection of outstanding trade debt in the amount of approximately \$5,600,000.00. Debtor does not currently have the ability to pay such obligations and expects judgments to be entered in the cases in favor of one or more of the plaintiffs. On June 4, 2014, Morrison Management Specialist, Inc. proceeded with the filing of a Confession of Judgment against the Debtor in Spartanburg County. Cardinal Health 200, LLC has already obtained a judgment against the Debtor in Ohio and on May 29, 2014 served Debtor via certified mail a Notice of Filing Foreign Judgment. Also, Aramark Management Services Limited Partnership informed Debtor on June 2, 2014, that is intended to proceed with filing a stipulation of judgment in Pennsylvania unless the Debtor represented by June 5, 2014 that it could represent that it could make a payment of \$3,286,324.53 on or before June 30, 2014. Debtor determined that it could not make the requested representation or payment.

7. Debtor desires to effectuate a plan of adjustment with its creditors, but has concluded that it currently needs the protection for the United States Bankruptcy Court in order for those

that it currently needs the protection for the United States Bankruptcy Court in order for those efforts to proceed in an efficient, fair and orderly manner.

7. The Debtor does not have any outstanding bonds.

WITNESS my hand this 5th day of June, 2014, at Union, South Carolina.



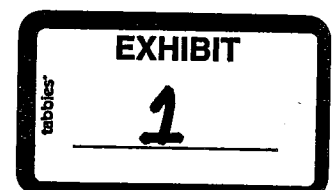
Paul R. Newhouse

Sworn to and subscribed before me this 5th day of June 2014.

Don Ellen T. Spear
Notary Public, State of South Carolina
My commission expires Oct 19, 2015.

Union Hospital District

FINANCIAL STATEMENTS
FOR THE MONTH ENDED
MARCH 31, 2014
(UNAUDITED)



UNION HOSPITAL DISTRICT FINANCIAL STATEMENTS INDEX FOR THE MONTH ENDED MARCH 31, 2014

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UNION HOSPITAL DISTRICT
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 FOR THE MONTH AND YEAR-TO-DATE ENDED MARCH 31, 2014

CURRENT MONTH						YEAR-TO-DATE					
PRIOR YEAR	ACTUAL	BUDGET	VARIANCE FAVOR (UNFAVOR)	% VARIANCE FAVOR (UNFAVOR)		PRIOR YEAR	ACTUAL	BUDGET	VARIANCE FAVOR (UNFAVOR)	% VARIANCE FAVOR (UNFAVOR)	
HOSPITAL STATISTICS											
DISCHARGES/ DELIVERIES											
181	161	272	(111)		(41) Adult & Pediatric	1,134	964	1,439	(475)		(33)
10	9	11	(2)		(18) Newborn Deliveries	58	66	47	19		40
191	170	283	(113)		(40) Total	1,192	1,030	1,486	(456)		(31)
DAYS OF CARE											
787	520	1,082	(562)		(52) Adult & Pediatric	4,962	3,981	5,738	(1,757)		(31)
86	47	50	(3)		(8) Observation	384	422	290	132		46
25	19	22	(3)		(14) Newborn	139	141	94	47		50
898	586	1,154	(568)		(49) Total	5,485	4,544	6,122	(1,578)		(26)
AVERAGE DAILY CENSUS											
25.39	16.77	34.90	(18.1)		(52) Adult & Pediatric	27.26	21.87	31.53	(9.7)		(31)
2.77	1.52	1.81	(0.1)		(8) Observations	2.11	2.32	1.59	0.7		46
0.81	0.61	0.71	(0.1)		(14) Newborn	0.78	0.77	0.52	0.3		50
28.97	18.90	37.23	(18)		(49) Total	30.14	24.97	33.64	(9)		(26)
AVERAGE LENGTH OF STAY											
4.16	3.34	4.00	0.7		17 Adult & Pediatric	4.25	4.13	4.00	(0.1)		(3)
1.62	1.62	1.19	(0.4)		(36) Observation	1.27	1.75	1.14	(0.6)		(54)
2.50	2.11	2.00	(0.1)		(5) Newborn	2.40	2.14	2.00	(0.1)		(7)
EMERGENCY DEPARTMENT											
1,809	1,518	1,600	(82)		(5) Total ED Visits	10,372	9,684	9,595	89		1
7.9%	8.0%	8.0%	(0.0)		(0) ED Admits as % of Total Visits	8.5%	8.0%	8.0%	0.0		0
76.3%	77.6%	59.0%	18.6%		31 ED Admits as % of Total Admits	74.7%	79.7%	59.0%	20.7%		35
SURGICAL SERVICES											
32	18	38	(20)		(53) OR -Inpatient Cases	207	145	224	(79)		(35)
42	34	61	(27)		(44) OR -Outpatient Cases	325	183	353	(170)		(48)
26	20	37	(17)		(46) Endoscopy -Inpatient Cases	156	144	224	(80)		(36)
40	38	43	(5)		(12) Endoscopy -Outpatient Cases	249	214	259	(45)		(17)
67	53	80	(27)		(34) Other OR Outpatient Cases	359	305	413	(108)		(28)
207	163	259	(96)		(37) Total	1,296	991	1,473	(482)		(33)
OUTPATIENT											
1,079	690	1,390	(700)		(50) Outpatient Visits	6,247	4,115	8,070	(3,955)		(49)
442	406	515	(109)		(21) Adjusted Discharges	2,680	2,245	2,949	(704)		(24)
1,920	1,311	2,053	(742)		(36) Adjusted Patient Days	11,371	9,208	11,751	(2,543)		(22)
PRODUCTIVITY											
231.3	244.5	230.0	(14.5)		(6) Employed FTEs	230.3	239.4	230.0	(9.4)		(4)
8.5	6.1	8.0	1.9		23 Overtime FTEs	7.9	6.6	8.0	1.4		18
40.4	1.7	45.6	43.9		96 Contract FTEs	40.7	4.8	45.6	40.8		89
271.7	246.2	275.6	29.4		11 Total Hospital FTEs	271.0	244.2	275.6	31.4		11
3.7	2.5	3.5	1.0		28 Overtime Utilization %	3.4	2.7	3.5	0.7		21
4.4	5.8	4.2	(1.7)		(40) FTEs Per Adjusted Occupied Bed	3.6	4.8	4.3	(0.6)		(13)
0.61	0.61	0.54	(0.07)		(13) FTEs Per Adjusted Discharge	0.51	0.65	0.56	(0.09)		(16)
529.4	508.9	524.0	15.1		3 Total Enterprise FTEs (Paid)	522.60	491.00	524.00	33.0		6
1.0451	0.9483	1.0100	(0.0617)		(6) HOSPITAL CASE-MIX INDEX	1.0249	1.0186	1.0100	0.0086		1
HOSPITAL PAYOR MIX											
49.3%	49.6%	51.8%	2.2		4 Medicare	51.8%	52.7%	51.8%	(0.9)		(2)
14.9%	15.5%	13.7%	(1.8)		(13) Medicaid	13.7%	14.6%	13.7%	(1.1)		(8)
13.6%	10.2%	11.4%	1.2		11 Blue Cross and Blue Shield	11.4%	10.6%	11.4%	0.8		7
8.8%	8.0%	7.6%	(0.4)		(6) Managed Care/Commercial	7.6%	7.4%	7.6%	0.2		3
13.4%	16.7%	15.6%	(1.1)		(7) Self-pay and Other	15.6%	14.5%	15.6%	1.1		7
100.0%	100.0%	100.0%	(0.0)		Total	100.0%	100.0%	100.0%	3.0		
LONG TERM CARE											
106.0	101.2	109.8	(9)		(8) Average Daily Census	106.3	102.1	109.8	(8)		(7)
105.8	104.3	108.0	4		3 Total FTEs	102.6	101.2	108.0	7		6
EMERGENCY/MEDICAL SERVICES											
589	524	535	(11)		(2) Total Emergency and Transport Runs	3,545	3,626	3,270	356		11
37.5	37.0	36.0	1		3 Total FTEs	36.4	37.0	36.0	1		3
PHYSICIAN NETWORKS											
5,130	4,129	5,642	(1,513)		(27) Total Provider Visits	28,813	24,506	32,235	(7,729)		(24)
18.0	18.0	18.0	0.0		0 Provider FTEs	18.0	18.0	18.0	0.0		0
13.6	10.9	14.9	(4.0)		(27) Visits per Day per Provider FTE	12.6	11.1	14.1	(3.0)		(22)
67.8	71.3	58.6	12.7		22 Total Staff FTEs	63.8	59.8	58.6	1.2		2

KEY INDICATORS
YEAR-TO-DATE ENDED MARCH 31, 2014

	2009 S & P "BBB" MEDIAN	ACTUAL	TARGET	VARIANCE FAVOR (UNFAVOR)	% VARIANCE FAVOR (UNFAVOR)
(1) Operating Margin %	2.3%	17.0%	-1.3%	-15.7%	-1207.7%
(1) Operating Cash Flow Margin %	9.5%	9.5%	3.3%	-12.8%	-387.8%
Total Margin %	2.3%	14.6%	0.0%	-14.6%	731400.0%
Hospital Adjusted Discharge Growth Rate	n/a	16.0%	8.0%	-24.0%	-300.0%
(1) Days Unrestricted Cash on Hand	125	0.3	40	-40	-99.2%
(1) Unrestricted Cash as % of Long-Term Debt	88.2%	0.5%	84.0%	-83.5%	-99.4%
Net Days of Hospital Revenue in Total Hospital Patient Accounts Receivable	45	90	50	-40	-80.0%
Gross Days of Hospital Revenue in DNFB Hospital Patient Accounts Receivable	n/a	4	5	1	20.0%
Net Days of Revenue in Freestanding Long-Term Care Facility Patient Accounts	n/a	81	38	-43	-113.2%
Net Days of Revenue in EMS Patient Accounts Receivable	n/a	19	17	-2	-11.8%
Net Days of Revenue in Physician Practices Patient Accounts Receivable	n/a	23	45	22	48.9%
Salaries / Benefits/Contract Labor as % of Total Net Patient Revenue	49.0%	72.7%	66.9%	-5.84%	-8.7%
(2) Net Charity Care as % of Gross Patient Revenue	n/a	3.5%	1.4%	-2.10%	-150.0%
Net Bad Debts as % of Gross Patient Revenue	n/a	4.7%	6.9%	2.22%	32.2%
Net Bad Debts/Charity Care/Uninsured Disc. as % of Gross Patient Revenue	n/a	10.0%	10.5%	0.49%	4.7%
(1) Maximum Annual Debt Service Coverage(x)	3.0	(0.4)	1.5	-1.9	-129.3%
Capital Expenditures as % of Depreciation and Amortization	112.6%	12.0%	125.0%	-113.00%	-90.4%

(1) Identified by rating agencies as a key ratio in determining ratings for hospitals and healthcare systems.

(2) Average from 2005 Charity Care Survey by PricewaterhouseCoopers (not an S & P Median).

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 UNION HOSPITAL DISTRICT
 COMPARATIVE BALANCE SHEETS
 MARCH 31, 2014 AND SEPTEMBER 30, 2013

	3/31/2014	9/30/2013	\$ Increase (Decrease)	% Increase (Decrease)
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$24,599	\$328,329	(\$303,730)	-93%
Patient accounts receivable - net	7,239,667	8,267,580	(1,027,913)	-12%
Estimated third party receivable	355,137	536,935	(181,798)	0%
Other accounts receivable	597,592	(13,084)	610,676	-4667%
Inventories	1,047,695	1,032,263	15,432	1%
Prepaid expenses	353,307	270,538	82,769	31%
Total Current Assets	9,617,997	10,422,561	(804,564)	-8%
PROPERTY, PLANT, AND EQUIPMENT	54,855,649	54,699,298	\$156,351	0%
Less accumulated depreciation	(40,637,971)	(39,297,780)	(\$1,340,191)	3%
Total Property, Plant and Equipment, Net	14,217,678	15,401,518	(1,183,840)	-7.7%
OTHER ASSETS				
Assets limited as to use:				
Designated as funded depreciation - hospital	18,220	318,360	(300,140)	-94%
Designated as funded depreciation - nursing home	0	0	0	0%
Designated as funded depreciation - EMS	0	0	0	0%
Restricted - Cash Collateral Account (Principal)	250,196	250,159	37	0%
Restricted - Cash Collateral Account (Interest)	0	0	0	0%
Restricted - Funds Held for Others	0	0	0	0%
Other accounts receivable	0	0	0	0%
Bond issue costs - net	0	0	0	0%
Other assets	0	0	0	0%
Total Other Assets	268,416	568,519	(300,103)	-53%
TOTAL ASSETS	\$24,104,091	\$26,392,598	(\$2,288,507)	-9%
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$8,458,402	\$8,349,935	\$108,467	1%
Salaries and benefits payable	1,280,495	1,196,826	83,669	7%
Other liabilities and accruals	4,351,706	3,400,415	951,291	28%
Estimated third party reserves	2,009,141	1,659,223	349,918	21%
Current portion of long-term debt	73,268	168,490	(95,222)	-57%
Union County Bonds	2,875,000	2,825,000	50,000	0%
Total Current Liabilities	19,048,012	17,599,889	1,448,123	8%
LONG TERM LIABILITIES				
LONG TERM DEBT, less current portion	5,613,701	6,207,605	(593,904)	-10%
Deferred revenue	0	0	0	100%
Other long-term liabilities	0	0	0	0%
TOTAL LIABILITIES	24,661,713	23,807,494	854,219	4%
NET ASSETS				
Invested in capital assets, net of debt	8,996,331	8,996,331	0	0%
Unrestricted	(6,411,216)	2,352,664	(8,763,880)	-373%
Year - to - date results	(3,142,738)	(8,763,891)	5,621,154	64%
Donations/transfers/other	0	0	0	0%
Total Net Assets	(557,623)	2,585,104	(3,142,727)	-122%
TOTAL LIABILITIES AND NET ASSETS	\$24,104,091	\$26,392,598	(\$2,288,508)	-9%

DOCUMENTS
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COMPARATIVE STATEMENTS OF OPERATIONS
FOR THE MONTH AND YEAR-TO-DATE ENDED MARCH 31, 2014

CURRENT MONTH					YEAR-TO-DATE				
PRIOR YEAR	ACTUAL	BUDGET	\$ VARIANCE FAVOR (UNFAVOR)	% VARIANCE FAVOR (UNFAVOR)	PRIOR YEAR	ACTUAL	BUDGET	\$ VARIANCE FAVOR (UNFAVOR)	% VARIANCE FAVOR (UNFAVOR)
Gross Patient Revenue									
\$3,784,590	\$2,720,838	\$5,593,423	(\$2,872,585)	(51)	\$23,166,201	\$20,759,275	\$29,073,911	(\$8,314,635)	(29)
2,503,304	2,015,197	1,920,000	95,197	5	13,984,388	13,443,871	11,685,000	1,758,871	15
412,141	221,153	355,000	(133,847)	(38)	2,130,469	2,047,735	2,039,500	8,235	0
2,474,961	1,904,914	2,745,250	(840,336)	(31)	15,155,321	11,729,209	16,444,500	(4,715,291)	(29)
569,688	611,006	674,396	(63,390)	(9)	3,378,074	3,616,867	4,008,749	(391,882)	(10)
318,102	262,379	287,830	(25,451)	(9)	1,895,656	1,892,758	1,759,260	133,498	8
955,306	741,350	1,348,438	(607,088)	(45)	6,138,466	4,712,030	7,704,165	(2,992,136)	(39)
11,018,092	8,476,837	12,924,337	(4,447,500)	(34)	65,828,575	58,201,745	72,715,085	(14,513,340)	(20)
Revenue Deductions									
3,420,260	2,945,631	4,241,962	1,296,331	31	20,784,845	21,341,586	23,717,446	2,375,860	10
784,951	1,396,947	1,092,428	(304,519)	(28)	6,545,244	6,173,750	6,082,577	(91,173)	(1)
731,878	539,735	823,813	284,079	34	4,590,746	3,720,664	4,544,952	824,288	18
204,404	365,929	191,046	(174,883)	(92)	1,939,027	2,034,200	1,057,013	(977,186)	(92)
942,727	1,001,316	1,089,646	88,329	8	6,173,979	5,177,789	6,361,806	1,184,017	19
1,228,080	-757,671	889,100	1,646,771	185	4,527,732	2,633,575	5,003,860	2,370,285	47
7,312,299	5,491,887	8,327,995	2,836,108	34	44,561,574	41,081,564	46,767,654	5,686,090	12
3,705,793	2,984,950	4,596,342	(1,611,392)	(35)	21,267,001	17,120,181	25,947,431	(8,827,250)	(34)
335,061	927,108	179,708	747,400	416	3,251,716	3,925,643	1,078,253	2,847,390	264
4,040,854	3,912,058	4,776,050	(863,992)	(18)	24,518,717	21,045,823	27,025,684	(5,979,861)	(22)
Operating Expense									
2,057,803	1,920,720	2,136,948	216,227	10	11,668,408	11,125,610	12,281,577	1,155,967	9
473,939	579,117	554,480	(24,637)	(4)	3,025,226	3,591,520	3,177,654	(413,866)	(13)
435,802	59,217	331,312	272,095	82	2,487,706	591,878	1,893,532	1,301,654	69
197,056	357,333	200,233	(157,100)	(78)	1,447,966	1,872,938	1,266,801	(606,137)	(48)
264,811	272,533	367,390	94,857	26	1,723,147	1,554,929	2,062,958	508,027	25
118,419	47,771	74,615	26,844	36	473,241	279,656	419,959	140,304	33
106,565	110,366	123,226	12,860	10	674,438	674,507	682,024	7,517	1
284,214	349,472	548,355	198,883	36	2,421,350	2,304,128	3,151,304	847,175	27
181,222	169,562	201,450	31,887	16	1,207,369	1,043,389	1,199,559	156,170	13
43,184	47,809	7,900	(39,909)	(505)	367,045	243,941	47,400	(196,541)	(415)
219,444	219,921	199,028	(20,893)	(10)	1,327,858	1,340,192	1,194,168	(146,025)	(12)
4,382,459	4,133,822	4,744,937	611,115	13	26,823,753	24,622,689	27,376,932	2,754,243	10
(341,605)	(221,764)	31,113	(252,878)	(813)	(2,305,036)	(3,576,865)	(351,248)	(3,225,618)	(918)
-8.45%	-5.67%	0.65%	-6.32%	(970)	-9.40%	-17.00%	-1.30%	-15.70%	(1,208)
-1.95%	1.17%	4.98%	-3.81%	(76)	-2.49%	-9.47%	3.29%	-12.76%	(387)
Non-Operating Rev (Exp)									
54	94	80	14	17	728	311	480	(169)	(35)
0	0	0	0		0	0	0	0	
-15	(14)	0	(14)	0	238	(93)	0	(93)	0
39	80	80	(1)	(1)	966	218	480	(262)	(55)
0	0	5,833	(5,833)	0	1,187	133,909	35,000	98,909	0
51,750	50,000	51,750	(1,750)	(3)	310,500	300,000	310,500	(10,500)	(3)
51,789	50,080	57,663	(7,584)	(13)	312,653	434,127	345,980	88,147	25
(\$289,816)	(\$171,685)	\$88,777	(260,462)	(293)	(\$1,992,383)	(\$3,142,738)	(\$5,268)	(3,137,471)	59,562
-7.08%	-4.33%	1.84%	-6.17%	-335.93%	-8.02%	-14.63%	-0.02%	-14.61%	75926.44%

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UNION HOSPITAL DISTRICT
COMBINING DIVISIONAL BALANCE SHEETS
MARCH 31, 2014

	Wallace Thomson Hospital	Ellen Sagar Nursing Home	Union County EMS	Carolinas Health Associates	Subtotal	Inter- Divisional Eliminations	Total
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	-\$360,913	\$308,629	\$75,098	\$1,785	\$24,599	\$0	\$24,599
Patient accounts receivable - net	5,485,319	1,391,229	85,463	277,656	7,239,667	0	7,239,667
Estimated third party receivable	0	355,137	0	0	355,137	0	355,137
Interdivisional due from	13,590,732	3,501,245	606,589	0	17,698,566	(17,698,566)	0
Other accounts receivable	567,592	0	30,000	0	597,592	0	597,592
Inventories	1,040,693	7,002	0	0	1,047,695	0	1,047,695
Prepaid expenses	293,671	36,858	12,239	10,539	353,307	0	353,307
Total Current Assets	20,617,094	5,600,100	809,389	289,980	27,316,563	(17,698,566)	9,617,997
PROPERTY, PLANT, AND EQUIPMENT							
Less accumulated depreciation	(35,320,528)	(3,548,365)	(1,404,728)	(364,350)	(40,637,971)	0	(40,637,971)
Total Property, Plant and Equipment, Net	12,018,477	1,617,937	172,408	408,856	14,217,678	0	14,217,678
OTHER ASSETS							
Assets limited as to use:							
Designated as funded depreciation - hospital	18,220	0	0	0	18,220	0	18,220
Designated as funded depreciation - nursing home	0	0	0	0	0	0	0
Designated as funded depreciation - EMS	0	0	0	0	0	0	0
Restricted - Cash Collateral Account (Principal)	250,196	0	0	0	250,196	0	250,196
Restricted - Cash Collateral Account (Interest)	0	0	0	0	0	0	0
Restricted - Funds Held for Others	0	0	0	0	0	0	0
Other accounts receivable	0	0	0	0	0	0	0
Bond issue costs - net	0	0	0	0	0	0	0
Other assets	0	0	0	0	0	0	0
Total Other Assets	268,416	0	0	0	268,416	0	268,416
TOTAL ASSETS	\$32,903,987	\$7,218,037	\$981,797	\$698,836	\$41,802,657	(\$17,698,566)	\$24,104,091
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts payable	\$8,457,762	(\$1,625)	\$2,265	\$0	\$8,458,402	\$0	\$8,458,402
Salaries and benefits payable	1,024,649	136,696	0	119,150	1,280,495	0	1,280,495
Other liabilities and accruals	3,309,830	564,273	163,413	314,190	4,351,706	0	4,351,706
Interdivisional due to	0	0	0	17,698,566	17,698,566	(17,698,566)	0
Estimated third party reserves	1,586,852	422,289	0	0	2,009,141	0	2,009,141
Current portion of long-term debt	73,268	0	0	0	73,268	0	73,268
Union County Bonds	2,875,000	0	0	0	2,875,000	0	2,875,000
Total Current Liabilities	17,327,361	1,121,633	165,678	18,131,906	36,746,578	(17,698,566)	19,048,012
LONG TERM LIABILITIES							
LONG TERM DEBT, less current portion	5,560,622	0	53,079	0	5,613,701	0	5,613,701
Deferred revenue	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0
TOTAL LIABILITIES	22,887,983	1,121,633	218,757	18,131,906	42,360,279	(17,698,566)	24,661,713
NET ASSETS							
Invested in capital assets, net of debt	6,530,855	1,978,779	486,697	0	8,996,331	0	8,996,331
Unrestricted	3,565,408	4,754,309	723,835	(15,454,768)	(6,411,216)	0	(6,411,216)
Year - to - date results	(1,663,259)	363,316	135,508	(1,978,302)	(3,142,738)	0	(3,142,738)
Donations/transfers/other	1,583,000	(1,000,000)	(583,000)	0	0	0	0
Total Net Assets	10,016,004	6,096,404	763,040	(17,433,070)	(557,623)	0	(557,623)
TOTAL LIABILITIES AND NET ASSETS	\$32,903,987	\$7,218,037	\$981,797	\$698,836	\$41,802,657	(\$17,698,566)	\$24,104,091

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**COMBINING DIVISIONAL STATEMENTS OF OPERATIONS - ACTUAL
FOR THE MONTH ENDED MARCH 31, 2014**

CURRENT MONTH ACTUAL							
	Wallace Thomson Hospital	Ellen Sagar Nursing Home	Union County EMS	Carolinas 'Health Associates	Subtotal	Inter- Divisional Eliminations	Total
Gross Patient Revenue							
Inpatient	\$2,720,838	\$0	\$0	\$0	\$2,720,838	\$0	\$2,720,838
Emergency	2,016,197	0	0	0	2,016,197	0	\$2,016,197
Observation	221,153	0	0	0	221,153	0	\$221,153
Outpatient	1,904,914	0	0	0	1,904,914	0	\$1,904,914
Long-term Care	0	611,006	0	0	611,006	0	\$611,006
EMS	0	0	262,379	0	262,379	0	\$262,379
Physician Offices	0	0	0	741,350	741,350	0	\$741,350
Total Patient Revenue	6,862,102	611,006	262,379	741,350	8,476,837	0	\$8,476,837
Revenue Deductions							
Medicare	2,872,540	4,919	68,172	0	2,945,631	0	\$2,945,631
Medicaid	1,347,703	26,860	22,384	0	1,396,947	0	\$1,396,947
Managed Care/Commercial	536,101	0	3,634	0	539,735	0	\$539,735
Charity Care	365,929	0	0	0	365,929	0	\$365,929
Other	519,578	0	256	481,482	1,001,316	0	\$1,001,316
Provision for Uncollectibles-Net	(503,866)	38,739	36,938	(329,482)	(757,671)	0	(\$757,671)
Total Revenue Deductions	5,137,985	70,518	131,384	152,000	5,491,887	0	\$5,491,887
Net Patient Revenue	1,724,117	540,488	130,995	589,350	2,984,950	0	\$2,984,950
Other Operating Revenue	806,470	120,638	0	0	927,108	0	\$927,108
Net Operating Revenue	2,530,587	661,126	130,995	589,350	3,912,058	0	\$3,912,058
Operating Expense							
Salaries & Wages	1,101,318	272,151	99,274	447,977	1,920,720	0	\$1,920,720
Fringe Benefits	464,762	62,924	9,840	41,591	579,117	0	\$579,117
Contract Labor	43,518	13,100	2,599	0	59,217	0	\$59,217
Professional Fees	150,909	62,377	12,777	131,270	357,333	0	\$357,333
Purchased Services	214,086	18,902	27,710	11,835	272,533	0	\$272,533
Insurance	25,936	6,834	3,116	11,885	47,771	0	\$47,771
Utilities	75,062	15,961	9,796	9,547	110,366	0	\$110,366
Supplies	269,518	63,294	3,538	13,122	349,472	0	\$349,472
Other	98,189	54,981	1,726	14,666	169,562	0	\$169,562
Interest	47,809	0	0	0	47,809	0	\$47,809
Depreciation/Amortization	193,242	11,802	6,778	8,099	219,921	0	\$219,921
Total Operating Expense	2,684,350	582,326	177,154	689,993	4,133,822	0	\$4,133,822
INCOME FROM OPERATIONS	(153,763)	78,800	(46,159)	(100,643)	(221,764)	0	(\$221,764)
Operating Margin %	-6.08%	11.92%	-35.24%	-17.08%	-5.67%	0.00%	-5.67%
Operating Cash Flow %	3.45%	13.70%	-30.06%	-15.70%	1.17%	0.00%	1.17%
Non-Operating Rev (Exp)							
Interest and Dividend Income	94	0	0	0	94	0	94
Net Inc (Dec) in Fair Value of Investments:							
Realized Gains (Losses)	0	0	0	0	0	0	0
Unrealized Gains (Losses)	(14)	0	0	0	(14)	0	(14)
Subtotal	80	0	0	0	80	0	80
Donations	0	0	0	0	0	0	0
Other	0	0	50,000	0	50,000	0	50,000
Total Non-Operating Rev (Exp)	80	0	50,000	0	50,080	0	50,080
Excess Revenue Over Expense	(153,683)	78,800	3,841	(100,643)	(171,685)	0	(171,685)
Total Margin %	-6.07%	11.92%	2.12%	-17.08%	-4.33%	0.00%	-4.33%

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**COMBINING DIVISIONAL STATEMENTS OF OPERATIONS - ACTUAL
FOR THE YEAR-TO-DATE ENDED MARCH 31, 2014**

YEAR-TO-DATE ACTUAL							
	Wallace Thomson Hospital	Ellen Sagar Nursing Home	Union County EMS	Carolinas Health Associates	Subtotal	Inter- Divisional Eliminations	Total
<u>Gross Patient Revenue</u>							
Inpatient	\$20,759,275	\$0	\$0	-	\$20,759,275	\$0	\$20,759,275
Emergency	13,443,871	0	0	0	13,443,871	0	\$13,443,871
Observation	2,047,735	0	0	0	2,047,735	0	\$2,047,735
Outpatient	11,729,209	0	0	0	11,729,209	0	\$11,729,209
Long-term Care	0	3,616,867	0	0	3,616,867	0	\$3,616,867
EMS	0	0	1,892,758	0	1,892,758	0	\$1,892,758
Physician Offices	0	0	0	4,712,030	4,712,030	0	\$4,712,030
Total Patient Revenue	47,980,090	3,616,867	1,892,758	4,712,030	58,201,745	0	\$58,201,745
<u>Revenue Deductions</u>							
Medicare	20,837,652	39,839	464,095	0	21,341,586	0	\$21,341,586
Medicaid	5,879,373	171,530	122,847	0	6,173,750	0	\$6,173,750
Managed Care/Commercial	3,675,937	0	44,727	0	3,720,664	0	\$3,720,664
Charity Care	2,034,200	0	0	0	2,034,200	0	\$2,034,200
Other	2,710,948	0	5,464	2,461,377	5,177,789	0	\$5,177,789
Provision for Uncollectibles-Net	1,713,027	289,133	452,224	179,191	2,633,575	0	\$2,633,575
Total Revenue Deductions	36,851,137	500,502	1,089,357	2,640,568	41,081,564	0	\$41,081,564
Net Patient Revenue	11,128,954	3,116,365	803,401	2,071,461	17,120,181	0	\$17,120,181
Other Operating Revenue	3,181,487	720,015	3,190	20,951	3,925,643	0	\$3,925,643
Net Operating Revenue	14,310,440	3,836,380	806,591	2,092,412	21,045,823	0	\$21,045,823
<u>Operating Expense</u>							
Salaries & Wages	6,379,994	1,587,647	597,742	2,560,228	11,125,610	0	\$11,125,610
Fringe Benefits	2,722,137	419,288	141,779	308,317	3,591,520	0	\$3,591,520
Contract Labor	470,116	102,197	15,594	3,971	591,878	0	\$591,878
Professional Fees	810,383	340,536	85,341	636,678	1,872,938	0	\$1,872,938
Purchased Services	1,170,832	126,733	83,275	174,089	1,554,929	0	\$1,554,929
Insurance	147,684	36,403	18,525	77,043	279,656	0	\$279,656
Utilities	462,201	94,135	64,677	53,495	674,507	0	\$674,507
Supplies	1,747,313	396,557	31,382	128,877	2,304,128	0	\$2,304,128
Other	666,032	300,773	3,754	72,829	1,043,389	0	\$1,043,389
Interest	243,922	19	0	0	243,941	0	\$243,941
Depreciation/Amortization	1,157,197	68,794	59,014	55,188	1,340,192	0	\$1,340,192
Total Operating Expense	15,977,811	3,473,080	1,101,083	4,070,714	24,622,689	0	\$24,622,689
INCOME FROM OPERATIONS	(1,667,370)	363,300	(294,492)	(1,978,302)	(3,576,865)	0	(\$3,576,865)
Operating Margin %	-11.65%	9.47%	-36.51%	-94.55%	-17.00%	0.00%	-17.00%
Operating Cash Flow %	-1.86%	11.26%	-29.19%	-91.91%	-9.47%	0.00%	-9.47%
<u>Non-Operating Rev (Exp)</u>							
Interest and Dividend Income	295	16	0	0	311	0	\$311
Net Inc (Dec) in Fair Value of Investments:							\$0
Realized Gains (Losses)	0	0	0	0	0	0	\$0
Unrealized Gains (Losses)	(93)	0	0	0	(93)	0	(\$93)
Subtotal	202	16	0	0	218	0	\$218
Donations	3,909	0	130,000	0	133,909	0	\$133,909
Other	0	0	300,000	0	300,000	0	\$300,000
Total Non-Operating Rev (Exp)	4,111	16	430,000	0	434,127	0	\$434,127
Excess Revenue Over Expense	(1,663,259)	363,316	135,508	(1,978,302)	(3,142,738)	0	(\$3,142,738)
Total Margin %	-11.62%	9.47%	10.96%	-94.55%	-14.63%	0.00%	-14.63%

in the Union-Daily Times, a County Newspaper. Such notice shall state the question to be voted upon, shall state the time and place or places at which said election shall be held. Said Trustees shall likewise appoint the managers of such election, receive the return and determine the result.

SECTION 3: Ballots—voting.—The School Trustees of Kelly-Pinckney School District No. 18 shall have printed and provided for the use of the voters a sufficient number of ballots which shall be placed at the voting place or places with the following words plainly printed thereon:

“For the issuance of School Bonds

Against the issuance of School Bonds.

(Those voting in favor of such bonds will strike out the words ‘against the issuance of School, Bonds’ and those voting against the issuance of such bonds will strike out the words ‘for the issuance of School bonds’).

SECTION 4: Issue bonds if election favorable—maturities—sale—interest.—If a majority of the votes cast at said election shall be in favor of issuing said bonds, the School Trustees shall issue said bonds as coupon bonds, the first of which shall mature during the year 1947 and the last during the year 1976 —, the amount to mature in any one year shall be in the discretion of and determined by the School Trustees. Said bonds shall be sold at public or private sale at not less than par and accrued interest, and the proceeds therefrom shall be used for the purposes mentioned in Section 1 hereof; **PROVIDED**, That said bonds so sold shall not bear a rate of interest in excess of four (4%) per centum, payable semi-annually, and the principal and interest thereof shall be payable at such time and places as said School Trustees may prescribe.

SECTION 5: Bonds—execution.—That said School bonds shall be signed by the Chairman of the Board of School Trustees and countersigned by the Secretary; **PROVIDED**, That the signature of the Chairman and the Secretary may be lithographed or engraved upon the attached coupon to such bonds, and such lithographed or engraved signatures shall be sufficient signing thereof.

SECTION 6: Bonds exempt from taxes.—That said bonds when issued shall be exempt from taxation for State, and County purposes.

SECTION 7: Payment of bonds.—That the officers of Union County charged with the assessment and collection of taxes shall, at the direction of the School Trustees of Kelly-Pinckney School District No. 18, levy and collect such tax annually upon all property, real or personal, within Kelly-Pinckney School District No. 18, as will raise a sum sufficient to pay the interest and principal on said bonds, as the same shall become due.

SECTION 8: Repeal.—All Acts or parts of Acts inconsistent herewith are hereby repealed.

SECTION 9: Time effective.—This Act shall become effective immediately upon its approval by the Governor.

Approved the 28th day of March 1946

(RS86, H1029, SS98)

No. 848

AN ACT To Create And Establish A Hospital District For Union County To Be Known As Union Hospital District; To Prescribe Its Duties And Define Its Powers And Authority; To Authorize And Empower The Trustees Of Union Hospital District To Order And Hold An Election For The Purpose Of Issuing Coupon Bonds For Hospital Purposes; To Provide For The Construction, Maintenance And Establishment Of A Public Hospital For Union Hospital District; And To Protect And Promote The Public Health.

BE IT ENACTED by the General Assembly of the State of South Carolina:

SECTION 1: Union hospital district, Union County.—That there be, and there is hereby, created and established in Union County a district to be known as “Union Hospital District”, with such duties, powers and authority as herein provided and conferred and which shall be a body politic and corporate, and shall be subject to the rules, regulations and provisions hereinafter contained, and shall include and be comprised of all the territory in Union County within the boundaries of Union County.

SECTION 2: Board of trustees—treasurer.—The Union Hospital District shall be governed by a Board composed of seven (7) members, which shall be known as the Union Hospital District Board

of Trustees. Three (3) of the members of said Board of Trustees shall be medical doctors and practicing physicians within the Union Hospital District and Four (4) of the members of said Board of Trustees shall be resident citizens within the Union Hospital District. The members of the Union Hospital District Board of Trustees shall be appointed by the Governor upon the recommendation of the Union County Legislative Delegation of the General Assembly of the State of South Carolina, or, of a majority thereof. The initial term of office of the first trustee shall be designated for a period of one (1) year; of the second trustee, for a period of two (2) years; of the third trustee, for a period of three (3) years; of the fourth trustee, for a period of four (4) years; of the fifth trustee, for a period of five (5) years; of the sixth trustee, for a period of six (6) years; and of the seventh trustee, for a period of seven (7) years; and thereafter the term of office of the successor of each initial appointee shall be for a period of seven (7) years. Any vacancy occurring in the office of trustee by death, resignation or otherwise shall be filled in like manner by appointment for the unexpired term. Upon appointment the members of the Union Hospital District Board of Trustees shall qualify by taking the oath required of other officers of the State, and organize as the Union Hospital District Board of Trustees by the election of one of their members as chairman and one as secretary, and by the election of such other officers as they may deem necessary, but no bonds shall be required of them. The treasurer of Union County shall be the treasurer of the Union Hospital District Board of Trustees. He shall receive and pay out all moneys under the control of said board as directed by it, but shall receive no compensation for his services, and no trustee shall receive compensation for his services, but he may receive reimbursement for any cash expenditures actually made for personal expenses incurred as such trustee. The Union Hospital District Board of Trustees shall adopt an official seal and they shall procure office quarters within the Union Hospital District where all formal meetings shall be held, and all records kept.

SECTION 3: Establish, equip and operate hospital.—The Union Hospital District Board of Trustees shall have power to build, construct, establish, extend, maintain and operate a public hospital in the Union Hospital district for the accommodation and benefit of the public subject to the rules and regulations of the Union Hospital District Board of Trustees and the provisions of this Act; to purchase, lease and hold real estate, easements, water rights and property rights

sonably necessary in their judgment for carrying out the purposes of this Act; to purchase or lease or acquire by gift or otherwise existing hospitals or hospital equipment and to make all lawful contracts reasonably promotive of achieving the principal purposes of this Act so that the Union Hospital District may be adequately served by a public hospital.

SECTION 4: Hospital site.—The Union Hospital District Board of Trustees shall have power to locate and acquire the site of the public hospital in Union Hospital District.

SECTION 5: Conduct of hospital—meetings—buildings.—The Union Hospital District Board of Trustees shall adopt and promulgate such rules, regulations and by-laws for the government of the public hospital as may be deemed expedient for the economic and equitable conduct thereof. They shall have control of the expenditure of all moneys collected to the credit of the public hospital, the construction of any building or buildings, and the care of the grounds, rooms and buildings purchased. They shall also have the power to appoint a Superintendent, and Assistant Superintendent, and Major, and fix their compensation, and do all things necessary to carry out the spirit of interest for the establishment and maintenance of said public hospital. They shall hold meetings at least once each month, and shall keep a complete record of all proceedings, and no hospital building shall be erected or constructed until plans and specifications have been made therefor and adopted by the Union Hospital District Board of Trustees, and bids advertised for according to the law and custom of other public buildings.

SECTION 6: Gifts.—Any person, firm or corporation or association desiring to make donations of money, personal property, or real estate for the benefit of such public hospital shall have the right to vest title of the property so donated to the Union Hospital District, to be controlled when accepted by the Union Hospital District Board of Trustees according to the terms of the deed or gifts.

SECTION 7: Patients—payment for services.—The public hospital established under the provisions of this Act shall be for the benefit of the inhabitants of the Union Hospital District, and any person falling sick, or being injured or maimed within its limit; but every person who is financially able, shall pay to the Union Hospital District Board of Trustees or such officers as it shall designate for

such public hospital such reasonable compensation as he or she is able to pay for occupying, nursing, caring for an maintaining patients according to the rules and regulations of the Union Hospital District Board of Trustees.

SECTION 8: Municipal and county jurisdictions — doctors — nurses — patients.—The jurisdiction of the city or town in or near which the public hospital is located, and the jurisdiction of Union County, shall extend over all the land used for the public hospital outside the incorporate limits, and all ordinances of such city or town shall be in full force and effect in and over the territory occupied by such public hospital. In the management of such public hospital no discrimination shall be made against any practitioner of any school of medicine recognized by the laws of South Carolina, and all such legal practitioners have the privilege of treating patients in such hospital, and the Union Hospital District Board of Trustees may establish and maintain in connection therewith as a part of the said public hospital a training school for nurses and a nurses' home and quarters for the accommodation and convenience of nurses. In order to render the public hospital of greatest use to the greatest number, the Union Hospital District Board of Trustees may exclude from the use of such public hospital any such persons who shall fully violate such rules and regulations made by the board of trustees; and the board may extend the privileges and use of such public hospital to persons residing outside the Union Hospital District upon terms and conditions as may be prescribed from time to time by its rules and regulations.

SECTION 9: Condemn property.—The Union Hospital District Board of Trustees shall have the power to condemn for the purposes of this Act, lands, easements, water rights and property rights in all cases where any of these things are reasonably required for carrying out this Act, and cannot be obtained by contract from the owner or owners, which the Union Hospital District Board of Trustees is willing to make; the right of condemnation to be exercised in the same manner as prescribed for the condemnation of rights-of-way by counties under Section 5813, Vol. III, Code of Laws of South Carolina, 1942, and Acts amendatory thereof.

SECTION 10: Issue bonds of election thereon favorable.—That the Union Hospital District Board of Trustees of Union Hospital District, County of Union and State of South Carolina, be, and they

No. 848]

OF SOUTH CAROLINA

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are hereby, authorized and empowered to issue and sell Coupon Bonds of said Union Hospital District in the sum of not exceeding Five Hundred Thousand (\$500,000.00) Dollars, or so much thereof as they may deem necessary for the purpose of acquiring property, erecting or enlarging building or buildings and purchasing equipment for the construction, establishment and maintenance of a public hospital and appurtenances in Union Hospital District, or for paying any indebtedness incurred for said purposes; **PROVIDED**, that a majority of the voters of said Union Hospital District voting thereon at an election as hereafter provided shall vote in favor of issuing said hospital bonds.

SECTION 11: Bond election.—That for the purpose of determining whether or not hospital bonds shall be issued, as provided in Section 10, the Union Hospital District Board of Trustees of Union Hospital District shall order an election to be held at such place or places in said Union Hospital District as may be designated, in which election only qualified electors residing in the Union Hospital District shall be allowed to vote; and said Union Hospital District Board of Trustees shall give such notice of such election as they shall deem necessary and proper: **PROVIDED**, that such notice shall appear at least once ten (10) days prior to the date of such election in a newspaper published in Union Hospital District. Such notice shall state the question to be voted upon, shall state the time and place or places at which said election shall be held. The said Union Hospital District Board of Trustees shall likewise appoint the managers of such election, receive the returns and determine the results.

SECTION 12: Bond election — ballots — voting.—The Union Hospital District Board of Trustees of Union Hospital District shall have printed and provided for the use of the voters a sufficient number of ballots, which shall be placed at the voting place or places, on which shall be printed the words, "For the issue of Hospital Bonds", and the words, "Against the Issue of Hospital Bonds", and the voters voting for the issue of the bonds shall strike out the words, "Against the issue of Hospital Bonds", and the voters against the issue of the bonds shall strike out the words, "For the Issue of Hospital Bonds".

SECTION 13: Bonds—maturities—call—interest.—If a majority of the votes cast at said election shall be in favor of issuing said bonds, the Union Hospital District Board of Trustees shall issue said bonds as serial bonds, the first of which shall mature during the year 1947

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and end with the year 1971; the amount to mature in any one year shall be at the discretion of and determined by the Union Hospital District Board of Trustees. Said bonds shall be sold at public sale at not less than par and accrued interest, and the proceeds therefrom shall be used for the purposes mentioned in Section 10 hereof; PROVIDED, that said bonds so sold shall not bear a rate of interest in excess of four (4%) per centum per annum, payable semi-annually, and the principal and interest thereof shall be payable at such time and places as said Union Hospital District Board of Trustees may prescribe.

SECTION 14: Bonds—execution.—That said Hospital bonds shall be signed by the Chairman of the Union Hospital District Board of Trustees and countersigned by the Secretary: PROVIDED, that the signatures of the Chairman and the Secretary may be lithographed or engraved upon the coupons attached to such bonds, and such lithographed or engraved signatures shall be a sufficient signing thereof.

SECTION 15: Bonds—exempt from taxes.—That said bonds when issued shall be exempt from taxation for State, County and Municipal purposes.

SECTION 16: Bonds—payment.—That the officers of Union County charged with the assessment and collection of taxes shall, at the direction of the Union Hospital District Board of Trustees of Union Hospital District, levy and collect such a tax annually upon all property, real or personal, within Union Hospital District, as will raise a sum sufficient to pay the principal and interest on said bonds, as the same shall become due.

SECTION 17: Bonds—pledge pay.—The full faith, credit and taxing power of Union Hospital District are hereby irrevocably pledged for the punctual payment of the principal and interest of said bonds as such principal and interest become due.

SECTION 18: Repeal.—All Acts of parts of Acts inconsistent with this Act are hereby repealed.

SECTION 19: Time effective.—This Act shall take effect immediately upon its approval by the Governor.

Approved the 13th day of March, 1946

No. 850]

OF SOUTH CAROLINA

2527

(R562, H1031, S906)

No. 849

AN ACT To Transfer To And Confer Upon The Union Hospital District Board Of Trustees All The Rights, Title, Interest, Power, Authority, And Duties And Responsibility Of Union County In And To The Wallace Thompson Hospital In The City Of Union, County Of Union And State Of South Carolina.

BE IT ENACTED by the General Assembly of the State of South Carolina:

SECTION 1: Wallace Thompson hospital transferred to Union hospital district, Union County.—That all the rights, title, interest, powers and authority, and the duties and responsibility of Union County, in and to the Wallace Thompson Hospital, located in the City of Union, County of Union and State of South Carolina, be, and the same are hereby transferred to and conferred upon the Union Hospital District Board of Trustees of Union Hospital District in Union County; and the said Union Hospital District Board of Trustees shall have sole authority and exclusive jurisdiction of the same for public hospital purposes.

SECTION 2: Repeal.—All Acts or parts of Acts inconsistent with this Act are hereby repealed.

SECTION 3: Time effective.—This Act shall take effect upon its approval by the Governor.

Approved the 13th day of March, 1946

(R694, H1276, S1132)

No. 850

A JOINT RESOLUTION Proposing An Amendment To Section 5, Article 10, Of The Constitution Of South Carolina, 1895, So As To Authorize Union Hospital District Of Union County, South Carolina, To Issue Bonds In An Amount Equal To Twenty (20) Per Centum Of The Value Of The Taxable Property Embraced In Said Hospital District, Provided The Qualified Electors Of Said District Vote Favorably Thereon.

BE IT RESOLVED by the General Assembly of the State of South Carolina:

SECTION 1: Amendment to article 10, § 5, State Constitution, proposed—bonded indebtedness, Union hospital district, Union County.—That the following Amendment to Section 5, Article 10, of the Constitution of South Carolina, 1895, be agreed to, to-wit: Add at the end of said section, the following:

“ PROVIDED, That the limitations imposed by this Section shall not apply to Union Hospital District, Union County, State of South Carolina, said Union Hospital District being hereby expressly authorized to issue bonds to an amount not to exceed twenty (20) per centum of the value of all taxable property embraced in said hospital district, as valued or assessed for taxation by the State, the proceeds of such bonds to be applied solely to the purpose of acquiring property, erecting or enlarging building or buildings and purchasing equipment for the construction, establishing and maintenance of a public hospital and appurtenances in said Union Hospital District or paying any indebtedness incurred for said purposes, under such restrictions and limitations as the General Assembly may prescribe, and where the question of incurring such indebtedness is to be submitted to the qualified electors of said Union Hospital District, as provided in the Constitution upon the question of bonded indebtedness.”

SECTION 2: Submission to electors.—That the question of the adoption of this amendment be submitted to the qualified electors of this State at the next election held for members of the House of Representatives of this State, and there shall be furnished at the voting places in this State a sufficient number of ballots, with the following words plainly written or printed thereon: “Amendment to Section 5, Article 10, Constitution of South Carolina, 1895, proposed by a Joint Resolution, entitled “A Joint Resolution proposing an Amendment to Section 5, Article 10, of the Constitution of South Carolina, 1895, so as to Authorize Union Hospital District of Union County, South Carolina, to Issue Bonds in an Amount Equal to Twenty (20) Per Centum of the Value of the Taxable Property Embraced in Said Hospital District, Provided the Qualified Electors of Said District

Yes

Vote Favorably thereon” —Those voting in favor of the amendment shall erase the word “No.”

Those against the amendment shall erase the word “Yes”.

SECTION 3: Time effective.—This Resolution shall take effect upon its approval by the Governor.

Approved the 23rd day of March, 1946

(RS63, H1032, SS91)

No. 851

AN ACT To Authorize The School Trustees Of Union School District No. 11 To Order And Hold An Election For The Purpose Of Issuing Coupon Bonds For School Purposes.

BE IT ENACTED by the General Assembly of the State of South Carolina:

SECTION 1: Union school district No. 11 issue bonds for improvements, Union County.—That the School Trustees of Union School District No. 11, County of Union and State of South Carolina, be, and they are hereby, authorized and empowered to issue and sell coupon bonds of said School District in the sum of not exceeding three hundred thousand (\$300,000.00) dollars, or so much thereof as they may deem necessary for the purpose of acquiring additional property, erecting or enlarging building or buildings, and purchasing equipment for public schools in said School District, or for paying any indebtedness incurred for said purposes; PROVIDED, That a majority of the voters of said School District voting thereon at an election as hereafter provided shall vote in favor of issuing said school bonds.

SECTION 2: Election on issuance—notice—managers.—That for the purpose of determining whether or not school bonds shall be issued, as provided in Section 1, the School Trustees of Union School District No. 11 shall order an election to be held at such place or places in said School District as may be designated, in which election only qualified electors residing in the School District shall be allowed to vote; and said School Trustees shall give such notice of such election as they shall deem necessary and proper; PROVIDED, That such notice shall appear at least once ten (10) days prior to the date of such election in a newspaper published in said District. Such notice shall state the question to be voted upon, shall state the time and place or places at which said election shall be held. Said School Trustees shall likewise appoint the managers of such election, receive the returns and determine the results.